



M/04710103
cc: Leslie
Tom
Lynn

February 6, 2012

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FEB 08 2012

DIV. OF OIL, GAS & MINING

Director John R. Baza
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

**Re: Request For Final Decision to Approve Notice of Intention to Commence
Large Mining Operations, Southwest #1 Mine, LM/04710103(NOI)**

Dear Director Baza:

Red Leaf Resources, Inc. ("RLR") respectfully requests the Division of Oil, Gas and Mining ("Division") to issue a decision finally approving the NOI as conditionally approved on October 20, 2011. As set forth in that letter, the Division's final decision would be conditioned upon either the receipt of a letter from the Utah Division of Water Quality ("DWQ") stating that RLR does not need a groundwater discharge permit or DWQ's issuance of the appropriate permits.

RLR has submitted an application for a groundwater discharge permit which is currently under review by DWQ. RLR requests the Division to issue its final decision on the NOI at this time while the DWQ is processing RLR's application.

RLR and the Division have met the requirements of Utah Code Ann. 40-8-13 necessary for the Division to issue a final decision conditionally approving the NOI. The Division reviewed RLR's NOI and issued a tentative decision approving the application on October 20, 2011. The Division published its tentative decision, and reviewed the comments submitted in response. The only commenting party to protest the NOI was Western Resource Advocates/Living Rivers ("WRA") and WRA's comments were focused on groundwater quality. This issue has been addressed by the Division's decision to condition the NOI on DWQ's issuance of a groundwater discharge permit. Therefore, WRA's comments are non-substantive because the Division has addressed WRA's concerns by conditioning the NOI. A formal hearing before the Division is not required because there are no comments of substance and the Division's tentative decision approving the NOI can be finalized. See Utah Code Ann. § 40-8-13(6)(d)(ii)(iii); Utah Admin. Rule R647-4-116.4.



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We appreciate your assistance in this matter. Please contact me if you have further questions.

Very truly yours,

Dr. Laura Nelson, Vice President
Red Leaf Resources, Inc.

cc: Denise Dragoo, Esq.